

mit lower rates for individual employers who meet specified requirements.<sup>10</sup> These adjustments include lower minimum rates in Arkansas, Montana, North Dakota, Ohio, Oklahoma, and Wyoming. Some of the new schedules provide, for employers with relatively poorer experience, a smaller reduction in rates than they previously enjoyed; in Maryland, new schedules were added to increase the rates for all employers eligible for reduced rates when the fund drops to specified levels. New Mexico repealed its penalty rate for employers with unfavorable experience, and Tennessee added a penalty rate.

Arkansas, Connecticut, and Nebraska added a provision preserving the experience of employers who enter the Armed Forces. Nebraska, Ohio, South Dakota, and West Virginia amended their laws to permit allocation to employers' accounts of interest earned on the State's account in the trust fund, and Arizona and North Dakota adopted provisions permitting voluntary contributions under their programs.

Other amendments include the extension in Georgia and the repeal in Minnesota of the "war-risk" contribution provisions; Georgia also provided a special computation date for new employers that allows them to obtain a reduced rate sooner than the regular computation date, provided they have had the required experience. Florida amended its law to require that, when a business changes hands, a successor employer must pay 2.7 percent on wages in excess of 500 per-

cent of either the predecessor's payroll in the year preceding the transfer or his average annual payroll in the 3 years preceding the transfer, whichever is greater. Fourteen States adopted less significant amendments modifying the charging of benefits and omission of charges to individual employers' accounts and changing provisions on the transfer of employer experience when required because a business changes hands.

### *Temporary Disability Insurance*

During 1953, there were several changes in the four State temporary disability laws. In 12 States<sup>11</sup> one or more bills to establish a temporary disability insurance program were considered, but none was enacted. The Minnesota Legislature called for a complete study by the employment security agency, with the advice of a special advisory council, of existing systems of temporary disability insurance and asked for a report to be ready for its next meeting.

The only amendment adopted in New York was a technical provision relating to the enforcement of payments by employers in default. In New Jersey the three amendments enacted were also technical in nature; one relates to computation of the average weekly wage where several employers were involved, another changes the procedures for obtaining judicial review, and a third restricts the private-plan exclusions from coverage.

The Rhode Island changes were

more substantive. The most significant revision was the new qualifying requirement for benefit years beginning after June 30, 1953. The new requirement, like that for unemployment insurance benefits, calls for earnings 30 times the weekly benefit amount. The State also added, in both programs, a 1-year disqualification of individuals convicted in a State court of fraudulent misrepresentation to receive benefits. Other added restrictions relate to payment for part-weeks of disability and for weeks in which workmen's compensation is also paid.

Several changes were made in the California law. The benefit-year concept is eliminated; instead, for each new spell of disability a disability benefit period is established, which continues only during the time an individual is disabled. A 4-quarter base period is established with respect to each period of disability, and the determination of benefit rights, including duration, applies to that disability period. An individual can thus have more than one determination of benefit amount and duration for disability during a 12-month period, and a given quarter's wages can be used in more than one determination. The schedule of weekly rates is changed so that, for any amount of high-quarter wages, the weekly benefit amount is higher for temporary disability insurance than for unemployment insurance. The temporary disability insurance maximum was increased from \$30 to \$35. Hospitalization benefits were raised from \$8 to \$10 a day. The private-plan restrictions against selection of risks adverse to the State fund were made inoperative for 1954 and 1955.

<sup>10</sup> Arkansas, Colorado, Maryland, Montana, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, West Virginia, and Wyoming.

<sup>11</sup> Alaska, Arizona, Connecticut, Hawaii, Illinois, Indiana, Massachusetts, Michigan, Minnesota, Nevada, Ohio, and Pennsylvania.

## *Notes and Brief Reports*

### **Workmen's Compensation Payments, 1952**

Wage loss and medical benefits under workmen's compensation programs amounted to \$787 million in 1952, almost 11 percent more than the 1951 total of \$710 million. This increase was at a less rapid rate than the record rise of the immediately

preceding year (15 percent) and was somewhat less in terms of dollar amounts (\$77 million, in comparison with an increase of \$93 million from 1950 to 1951).

Associated with the slackened rate of increase in payments was a slight drop in the total number of work injuries—compensable and noncompensable. The Bureau of Labor Statistics

estimates that all disabling work injuries totaled 2.0 million in 1952—less than the 2.1 million total in 1951 but higher than the number in 1949 and 1950. The continued increase in payments reflects the higher wages on which cash benefits are now based, in combination with rising costs of hospitalization and medical services.

The Nation-wide increase of slightly more than one-tenth resulted from different rates of increase among the States. Under nine programs, pay-

ments in 1952 were about one-fifth higher than in 1951. For most of these nine, this was a continuation of a higher-than-average rate of gain initiated in 1951 or earlier. Although

there were no large decreases, payments under half a dozen programs had not shared in the increase but were at more or less the same level as 1951 payments.

**Estimates of workmen's compensation payments, by State and type of insurance, 1951 and 1952<sup>1</sup>**

[In thousands]

| State             | 1952      |  |                                       |                                      | 1951      |  |                                       |                                      | Percentage change in total payments, 1952 from 1951 |
|-------------------|-----------|--|---------------------------------------|--------------------------------------|-----------|--|---------------------------------------|--------------------------------------|---|
|                   | Total     | Insurance losses paid by private insurance carriers <sup>2</sup> | State fund disbursements <sup>3</sup> | Self-insurance payments <sup>4</sup> | Total     | Insurance losses paid by private insurance carriers <sup>2</sup> | State fund disbursements <sup>3</sup> | Self-insurance payments <sup>4</sup> |   |
| Total             | \$787,410 | \$490,793  | \$192,483                             | \$104,134                            | \$710,339 | \$444,416  | \$169,963                             | \$95,960                             | +10.8   |
| Alabama           | 3,568     | 2,854  | -----                                 | 714                                  | 3,264     | 2,611  | -----                                 | 653                                  | +9.3  |
| Arizona           | 5,890     | 92   | 5,673                                 | 125                                  | 5,094     | 82   | 4,902                                 | 110                                  | +15.6   |
| Arkansas          | 4,551     | 3,761  | -----                                 | 790                                  | 4,308     | 3,543  | -----                                 | 765                                  | +5.6  |
| California        | 73,431    | 50,126   | 17,115                                | 6,190                                | 66,377    | 44,955   | 15,789                                | 5,633                                | +10.6   |
| Colorado          | 4,982     | 1,805  | 2,827                                 | 350                                  | 4,112     | 1,473  | 2,339                                 | 300                                  | +21.2   |
| Connecticut       | 12,941    | 11,647   | -----                                 | 1,294                                | 11,182    | 10,064   | -----                                 | 1,118                                | +15.7   |
| Delaware          | 1,078     | 863  | -----                                 | 215                                  | 888       | 713  | -----                                 | 175                                  | +21.4   |
| Dist. of Col.     | 2,642     | 2,402  | -----                                 | 240                                  | 2,635     | 2,395  | -----                                 | 240                                  | +1.3  |
| Florida           | 11,269    | 10,511   | -----                                 | 758                                  | 9,340     | 8,705  | -----                                 | 635                                  | +20.7   |
| Georgia           | 6,290     | 5,115  | -----                                 | 1,175                                | 5,560     | 4,520  | -----                                 | 1,040                                | +13.1   |
| Idaho             | 2,701     | 1,751  | 620                                   | 330                                  | 2,508     | 1,600  | 578                                   | 330                                  | +7.7  |
| Illinois          | 38,120    | 30,720   | -----                                 | 7,400                                | 35,090    | 28,353   | -----                                 | 6,737                                | +5.6  |
| Indiana           | 12,646    | 10,772   | -----                                 | 1,874                                | 11,270    | 9,548  | -----                                 | 1,722                                | +12.2   |
| Iowa              | 6,009     | 4,879  | -----                                 | 1,220                                | 5,510     | 4,407  | -----                                 | 1,103                                | +10.7   |
| Kansas            | 6,240     | 4,910  | -----                                 | 1,330                                | 4,917     | 3,782  | -----                                 | 1,135                                | +26.9   |
| Kentucky          | 8,645     | 5,655  | -----                                 | 2,990                                | 7,884     | 4,994  | -----                                 | 2,890                                | +9.7  |
| Louisiana         | 14,942    | 12,662   | -----                                 | 2,280                                | 13,070    | 11,078   | -----                                 | 1,992                                | +14.3   |
| Maine             | 2,280     | 1,980  | -----                                 | 300                                  | 2,040     | 1,761  | -----                                 | 279                                  | +11.8   |
| Maryland          | 9,071     | 6,011  | 910                                   | 1,250                                | 8,348     | 6,363  | 788                                   | 1,197                                | +8.7  |
| Massachusetts     | 30,239    | 27,999   | -----                                 | 2,240                                | 27,123    | 25,093   | -----                                 | 2,030                                | +11.5   |
| Michigan          | 24,898    | 16,330   | 1,568                                 | 7,000                                | 23,919    | 15,576   | 1,493                                 | 6,850                                | +4.1  |
| Minnesota         | 12,427    | 10,305   | -----                                 | 2,122                                | 11,200    | 9,333  | -----                                 | 1,867                                | +11.0   |
| Mississippi       | 3,589     | 3,257  | -----                                 | 332                                  | 3,254     | 2,939  | -----                                 | 315                                  | +10.3   |
| Missouri          | 14,709    | 11,959   | -----                                 | 2,750                                | 12,306    | 9,956  | -----                                 | 2,350                                | +19.5   |
| Montana           | 3,124     | 1,114  | 1,292                                 | 718                                  | 3,215     | 1,260  | 1,207                                 | 748                                  | -2.8  |
| Nebraska          | 3,090     | 2,963  | -----                                 | 127                                  | 2,758     | 2,647  | -----                                 | 111                                  | +12.0   |
| Nevada            | 2,434     | 11   | 2,308                                 | 115                                  | 2,046     | 1  | 1,945                                 | 100                                  | +19.0   |
| New Hampshire     | 2,077     | 2,037  | -----                                 | 40                                   | 1,855     | 1,819  | -----                                 | 36                                   | +12.0   |
| New Jersey        | 38,573    | 33,543   | -----                                 | 5,030                                | 35,979    | 31,289   | -----                                 | 4,690                                | +7.2  |
| New Mexico        | 3,578     | 3,308  | -----                                 | 270                                  | 2,640     | 2,400  | -----                                 | 240                                  | +35.5   |
| New York          | 144,040   | 88,051   | 32,469                                | 23,520                               | 134,590   | 82,210   | 30,404                                | 21,976                               | +7.0  |
| North Carolina    | 8,160     | 6,935  | -----                                 | 1,225                                | 7,266     | 6,166  | -----                                 | 1,100                                | +12.3   |
| North Dakota      | 1,231     | 3  | 1,228                                 | -----                                | 1,256     | 2  | 1,254                                 | -----                                | -2.0  |
| Ohio              | 52,538    | 98   | 45,600                                | 6,840                                | 44,478    | 88   | 38,600                                | 5,790                                | +18.1   |
| Oklahoma          | 10,680    | 8,854  | 780                                   | 1,046                                | 9,890     | 8,249  | -----                                 | 1,000                                | +8.0  |
| Oregon            | 12,982    | 2,190  | 10,792                                | -----                                | 11,248    | 1,830  | 9,368                                 | -----                                | +15.4   |
| Pennsylvania      | 36,206    | 21,889   | 2,817                                 | 11,500                               | 34,026    | 20,492   | 2,734                                 | 10,800                               | +6.4  |
| Rhode Island      | 5,417     | 5,167  | -----                                 | 250                                  | 4,520     | 4,315  | -----                                 | 205                                  | +19.8   |
| South Carolina    | 4,663     | 3,633  | -----                                 | 1,000                                | 4,128     | 3,243  | -----                                 | 885                                  | +13.0   |
| South Dakota      | 950       | 805  | -----                                 | 145                                  | 963       | 815  | -----                                 | 148                                  | -1.3  |
| Tennessee         | 6,692     | 5,307  | -----                                 | 1,385                                | 6,331     | 5,057  | -----                                 | 1,274                                | +5.7  |
| Texas             | 44,465    | 44,465   | -----                                 | -----                                | 38,979    | 38,979   | -----                                 | -----                                | +14.1   |
| Utah              | 2,297     | 1,000  | 917                                   | 380                                  | 2,097     | 899  | 848                                   | 350                                  | +9.5  |
| Vermont           | 1,153     | 1,048  | -----                                 | 105                                  | 1,115     | 1,013  | -----                                 | 102                                  | +3.4  |
| Virginia          | 6,815     | 5,415  | -----                                 | 1,400                                | 6,155     | 4,885  | -----                                 | 1,270                                | +10.7   |
| Washington        | 18,776    | 426  | 17,900                                | 450                                  | 17,008    | 537  | 16,021                                | 450                                  | +10.4   |
| West Virginia     | 10,909    | 28   | 10,359                                | 522                                  | 10,096    | 13   | 9,613                                 | 465                                  | +8.1  |
| Wisconsin         | 15,990    | 13,193   | -----                                 | 2,797                                | 15,049    | 12,295   | -----                                 | 2,754                                | +6.3  |
| Wyoming           | 1,088     | 14   | 1,074                                 | -----                                | 1,025     | 18   | -----                                 | 1,007                                | +6.1  |
| Federal employees | 36,234    | -----  | 36,234                                | -----                                | 30,427    | -----  | 30,427                                | -----                                | +19.1   |

State fund disbursements, including payments to Federal Government employees, increased at a somewhat faster rate than private carrier payments—13 percent and 10 percent, respectively. The difference in rate of increase was not sufficiently great, however, to change the proportions of the total paid by each type of insurer in the 2 years. Of the totals for each year, private carrier payments accounted for about 62 percent, State fund disbursements for 24 percent, and self-insured payments for just over 13 percent.

Of the \$787 million paid in 1952, it is estimated that \$260 million, or about one-third, was in the form of medical and hospitalization benefits. Of the \$527 million in nonmedical payments, seven-eighths was in the form of cash compensation for non-fatal injuries and the remaining eighth was paid in death cases. The preliminary estimates for each year are shown below.

[In millions]

| Type of payment             | 1952  | 1951  |
|-----------------------------|-------|-------|
| Total                       | \$787 | \$710 |
| Medical and hospitalization | 260   | 233   |
| Compensation, total         | 527   | 477   |
| Disability                  | 462   | 417   |
| Survivor                    | 65    | 60    |

**Economic Status of Aged Persons and Dependent Survivors, June 1953**

The most significant development affecting the economic status of aged persons in the first half of 1953 was the emergence of old-age and survivors insurance as the leading source of money income for persons aged 65 and over in the continental United States. At the end of June, 32 in every 100 aged persons were in receipt of old-age and survivors insurance benefits, while 30 in every 100, including some of these beneficiaries, were receiving income from employment, either as earners or the wives of earners (table 1). Until the beginning of the present year, more aged persons had money income from employment than from any other single source. Old-age and survivors insurance was the second most frequent

<sup>1</sup> Data for 1952 preliminary. Calendar-year figures except for Montana and West Virginia, for Federal employees, and for State fund disbursements in Idaho, Maryland, Nevada, North Dakota, Oregon, and Utah, for which data for fiscal years ended in 1951 and 1952 were used. Includes benefit payments under the Longshoremen's and Harbor Workers' Compensation Act and the Defense Bases Compensation Act for the States in which such payments are made.

<sup>2</sup> Net cash and medical benefits paid by private insurance carriers under standard workmen's compensation policies. Data primarily from the *Spectator*.

*tor: Insurance by States of Fire, Marine, Casualty, Surety and Miscellaneous Lines, 80th and 81st annual issues.*

<sup>3</sup> Net cash and medical benefits paid by State funds; compiled from State reports (published and unpublished) and from the *Spectator*; estimated for some States.

<sup>4</sup> Cash and medical benefits paid by self-insurers, plus the value of medical benefits paid by employers carrying workmen's compensation policies that do not include the standard medical coverage. Estimated from available State data.